

REPORT

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Albert Binz

Staatssekretariat  
Materialversorgung (State  
Secretariat for Materials  
Supply), State Planning  
Commission.

Dr. Heinrich Bertsch

Dr. Lange (fnu)

Hauptabteilungsleiter  
Wissenschaft und Technik  
(Chief, Science and Tech-  
nology Division), State  
Planning Commission.

4. In addition to the above, several other officials have been provided with provisional travel permits and informed that they may be required to pay brief visits to Moscow as advisers during the course of the negotiations. These include:

Kurt Wolf

Chief, Hauptverwaltung  
Schwermaschinenbau (Heavy  
Machinery Construction  
Division), Ministry of  
Machine Construction.(2)

Wilhelm Friedel

Deputy to Wolf.

Hütter (fnu)

Abteilungsleiter Chemie  
(Section Chief, Chemistry),  
Staatssekretariat Material-  
versorgung, State Planning  
Commission.

Dirk Van Rickelen

Chief, Hauptverwaltung  
Steine und Erden (Stones  
and Ceramics Division),  
Ministry of Heavy Industry.

Dieter Zalleck

Hauptabteilung (sic. Haupt-  
verwaltung?) Metallurgie  
(3)

Muth

Statistisches Zentralamt.(1)

Erich Kramer

Generaldirektor, Reichsbahn.(4)  
and (5)

5. In accordance with the general trend of current economic policy within the Soviet bloc, there is now a regular exchange of information among the planning ministries of Soviet bloc countries. The sole exception is the USSR itself, which releases no figures of planned and actual production or imports. From all other members the DDR receives monthly reports on imports and production, as well as details of planned production and imports (both short and long term), current bottlenecks and other difficulties encountered, and a certain amount of information on technical and scientific development.
6. Within the State Planning Commission only Rau and his personal assistant Kurt Zinke, who also heads the Büro für Fragen der gegenseitigen Wirtschaftshilfe

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(Office for Questions of Mutual Economic Aid), are entitled to see all such reports and are fully conversant with economic developments in other satellite countries. (b) All other officials receive only such reports as are considered by Rau to be necessary for the satisfactory execution of their duties. With the exception of scientific and technical data which have a much wider circulation, such information is never distributed below Hauptabteilungsleiter level.

7. Outside the State Planning Commission, ~~circulation of these reports is restricted to Georg Handke, Kurt Gregor, and [redacted] who has replaced Drechsler~~ as foreign trade adviser on CMEA questions. (b) Heads of satellite trade missions in Berlin also receive a certain amount of information on economic development in the DDR and other satellites. Information on CMEA is not normally passed except where considered to be of immediate interest, and then only indirectly through the government of the country concerned. (b)
8. Efforts of the DDR to obtain alternative sources of supply for items unobtainable in the West have been closely related to its general policy of achieving industrial self-sufficiency and of becoming as far as possible independent of all supplies from the West whether previously obtainable or not. One reason for the delay in the signing of the 1951 trade agreements with Czechoslovakia and Poland was the DDR's insistence on greatly increased deliveries of steel sheets, fine sheets, special profile steel and plates for ships, all of which were practically unobtainable in the West. As additional supplies have now been promised, the DDR is no longer dependent on the West for these items. Brown coal and pig iron requirements can also be satisfied entirely from within the Soviet bloc.
9. In respect of all other materials, the DDR is still a long way from achieving its aim, though some progress has been made in the manufacture of fine steels and deliveries of steel for machine tools from Czechoslovakia are to be stepped up considerably. It is also hoped that, as a result of the new agreement now being negotiated, greatly increased supplies of hardening agents and other non-ferrous metals will be forthcoming from China in 1952. During the current year, however, a considerable proportion of the DDR's requirements in this sphere will have to be met, if at all, through trade with [redacted] other countries outside the Soviet bloc.

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10. Although there is no indication of any relaxation of Soviet control, a number of organizational changes have been and are to be made, with the apparent object of effecting economies in the use of Russian personnel at the executive level. These include:
  - a. The dissolution of Soviet trading agencies in the DDR. The DDR offices of the various import agencies are to be closed. Requests for supplies will in the future be made through the Handelsvertretung der UdSSR (Trade Mission of the USSR).
  - b. The dissolution of Technabs. There were originally four Technabs in Berlin, Halle, Dresden, and Erfurt, which were responsible for the allocation of raw materials to SAGs. Of these the Dresden and Erfurt offices have already been closed and their functions transferred to Berlin and Halle. It is anticipated that Berlin and Halle will also be closed whereupon distribution to both SAGs and VEBs will become the responsibility of the DHZs acting on instructions from the Staatssekretariat Materialversorgung. It is possible, however, that Technabs Berlin (Base Marten) will be retained as a purchasing agency for urgently required materials.
  - c. Grant of increased powers to the Staatssekretariat Materialversorgung. The Staatssekretariat Materialversorgung now has complete control over allo-

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cation of materials to both VEBs and SAGs. Individual SAGs may no longer as hitherto appropriate urgently needed supplies from DAIAs or DHZs without prior authority from Materialversorgung.

- (1) Comment: Muth is apparently Walter Muth, Gruppenleiter, Abteilung Handel und Versorgung (Group Director, Trade and Supply Section), State Planning Commission.
- (2) Comment: Kurt Wolf is Oberreferent Eisenindustrie (Head, Iron Industry Desks), HV Metallurgie, Ministry of Heavy Industry (sic).
- (3) Comment: Dr. Dieter Zaulek is Technischer Leiter (Technical Director) of HA (sic. HV?) Metallurgie.
- (4) Comment: The name of the Generaldirektor of the Reichsbahn is reported as Erwin Kramer 50X1-HUM
- (5) Comment: This list is not complete. 50X1-HUM
- (6) Comment: The Büro für Fragen der gegenseitigen Wirtschaftshilfe exists only on paper.
- (7) Comment: Homelin is probably Kurt Homelin, Abteilung Handelspolitik (Trade Policy Section), Ministry of Foreign and Domestic Trade.
- (8) Comment: No direct communication between CMEA representatives and satellite missions could be observed. It is doubtful whether CMEA information passed on by satellite governments would be clearly recognizable as such.

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